
OFFICE OF CONGRESSMAN CARSON

Statement of Congressman Carson
Financial Services Committee
“Monetary Policy and the State of the Economy”
February 24, 2010

Thank you, Mr. Chairman, for holding this important hearing today.

It is the time for us to focus on small businesses as they are the businesses that grows this nation. We have shielded corporations with tax payer dollars, while we have done nothing to protect the thousands of the small businesses that continue to shut their doors.

Small businesses are generally the driving force behind most local economies. These small businesses, through their growth, generally are the ones that create the most jobs, thus easing unemployment problems in our communities.

Small businesses are an important source of innovation and progress. The small businesses of today become the larger businesses of tomorrow. Many of our country's top businesses introduced game-changing innovations when they were very small, enabling them to grow very large, thus raising overall productivity.

As we review the small business subsidy proposal, we must ensure there are safeguards in place to prevent gaming of the proposal. Economists have suggested that the subsidy proposal gives small business some incentive to fire some employees and then later to replace them with unemployed workers for whom they can collect the subsidy. The Administration is aware of these risks and has proposed various safeguards. However, new ways will be discovered to maneuver around the restrictions that would reduce the net job creating potential. Let's ensure we close these loopholes and make any legislation we pass effective in helping to grow our economy.

Thank you and I yield back my time.